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Wednesday, November 23, 2011

The Honourable NOËL A. KINSELLA  
Speaker

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(Daily index of proceedings appears at back of this issue).

*Debates Services:* D'Arcy McPherson, National Press Building, Room 906, Tel. 613-995-5756  
*Publications Centre:* David Reeves, National Press Building, Room 926, Tel. 613-947-0609

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## THE SENATE

Wednesday, November 23, 2011

The Senate met at 1:30 p.m., the Speaker in the chair.

Prayers.

### SENATORS' STATEMENTS

#### MATERNAL AND CHILD HEALTH

**Hon. Mobina S.B. Jaffer:** Honourable senators, every single year in the developing world more than 500,000 women die in childbirth. Over a year has passed since Canada made a pledge to champion maternal and childhood health at the G8 Summit held in Canada. Although some progress has been made to save lives, a lot still needs to be done. Canada cannot walk away now. Let me tell you why.

A short time ago, my assistant, Rahmat Kassam, and I had the opportunity to visit a maternity clinic in Africa. Although Rahmat and I had done a lot of research and work on maternal health and were quite familiar with the harsh realities that confront women in developing countries, nothing could prepare us for what we saw. After walking into the maternity ward in one of the clinics we visited, we saw that the facilities were so crowded that each bed had to be shared by at least three women.

When we inquired whether women who were HIV/AIDS positive were separated from the women who were not, we learned that, in an effort to avoid stigmatization, they were not. As a result, there was a chance that women could contract the disease while receiving treatment at the clinic.

In addition, each woman was required to bring with them a Mama Kit, which would include a candle, a piece of plastic for the mother to sit on, sutures and gloves. Any woman who came to the clinic without a kit was sent home.

We also learned that there was no electricity or water at the clinic for three weeks, as the government had not paid the bills. This meant that every night an average of 20 births would occur by candlelight.

During our time at the clinic, we met Theresa. We listened helplessly while she screamed in response to the pain she was feeling from her contractions. She called out, but was all alone, as there was no space for a relative to be by her side. When we returned the next morning with heavy hearts, we saw Theresa holding her beautiful baby girl. She informed us that she gave birth that night by candlelight and that the nurse had great difficulty inserting sutures in the dark. However, none of that mattered to Theresa, as she now had a healthy baby. Even though the facilities were less than ideal, it was far better than the alternative, which would have been to deliver in her home.

Maternal life is a human right, I am proud that Canada has chosen to lead the way in ensuring that maternal and infant mortality rates are reduced in the developing world.

Honourable senators, I know you will agree with me that we need to renew our commitment to maternal health to ensure that we continue to work hard in order to achieve the goals we set out at the G8 conference.

[Translation]

#### SAFE STREETS AND COMMUNITIES BILL

**Hon. Pierre-Hugues Boisvenu:** Honourable senators, we will soon be called upon to study Bill C-10, the Safe Streets and Communities Act.

I would like to dispel some myths that have been perpetuated by some members of the media. Bill C-10 groups together measures needed to modernize our Criminal Code in order to properly meet the needs of the public.

In terms of defending victims of crime, Bill C-10 also responds to victims' rights groups. The public expects parliamentarians to take a close and careful look at this bill. On October 25, 2011, Leger Marketing released a poll stating that 77 per cent of Quebecers agreed that serious crimes should carry harsher punishments.

The figures speak for themselves. According to crime data published by Juristat in 2010, quote:

... increases were reported in the rates of child pornography ... criminal harassment ... and sexual assault ...

Honourable senators, a few weeks ago, Line Lacasse, the mother of Sébastien — who was killed by some teenagers, including two repeat offenders — testified in the House of Commons in support of Bill C-10. She challenged any parent to come out against this bill, not out of vengeance, but to demand fair and accountable justice for a serious crime that was committed. The proposed changes target young offenders who commit crimes that cross a line and make them a permanent threat to themselves and to society. That was the case with Sébastien Lacasse's murderer, who was a repeat offender and never repented for having killed a fellow youth on August 8, 2004.

Honourable senators, the changes to the Youth Criminal Justice Act target only three to five per cent of young offenders. Our government believes in rehabilitation. We have made significant investments in rehabilitation and we will continue to do so. The concept of rehabilitation will remain in the legislation and we will add further measures. However, we cannot ignore the fact that there are criminals who simply do not want to be rehabilitated.

Yesterday I was reading some statistics on youth crime. Despite what some people claim, Quebec does not have the ideal model for rehabilitating young offenders. For example, youth crime in Quebec has increased among those aged 12-13 and 16-17, despite a decrease in the population of that demographic.



In comparison, in British Columbia, crime dropped by 50 per cent during the same period, even though the population increased during that time.

As a parent and grandparent, I cannot help but agree with the majority of the measures meant, first and foremost, to protect our children from pedophiles on the Internet and people who sell drugs in our schools. Such criminals these days get off too easily with sentences that invite recidivism.

I therefore ask you to examine Bill C-10 with every consideration that you have for the safety of your communities and the love of your families.

[English]

### BRIDGING THE ABORIGINAL EDUCATION GAP IN SASKATCHEWAN

**Hon. Lillian Eva Dyck:** Honourable senators, on Wednesday, November 9, the Gabriel Dumont Institute of Native Studies and Applied Research, in conjunction with Professor Eric C. Howe, of the University of Saskatchewan, released a staggering report entitled *Bridging the Aboriginal Education Gap in Saskatchewan*. The report stated that "closing the education gap between Aboriginal people and the rest of the province could yield savings as high as \$90 billion." Dr. Howe calculated that figure of \$90 billion by combining personal monetary benefits and various societal benefits that closing the education gap would yield per Aboriginal person resident in Saskatchewan.

As Dr. Howe stated, "The amount is staggering; the lost benefits are greater than all sales of potash in the history of Saskatchewan." He continued by stating that while most Saskatchewanites think of potash as the province's most valued resource, an even greater resource is the province's Aboriginal people. This is a resource that we have not developed.

In the 2006 census for Canadians aged 25 to 64, 34 per cent of Aboriginals did not complete high school, compared to 15 per cent in the rest of the population. Only 8 per cent of Aboriginals had a bachelor's degree, compared to 23 per cent of the non-Aboriginal population. By lifting the Aboriginal population to the same level as the non-Aboriginal population, Saskatchewan and other provinces could produce a lasting economic boom that is more sustainable than natural resource development.

According to the report, Aboriginal people have a higher financial rate of return on education than non-Aboriginal Canadians. For Aboriginals, finishing high school adds benefits of \$1.9 million per student over a lifetime. A technical school education adds \$3.1 million per student over a lifetime, and a university education adds \$6.2 million per student over a lifetime. As Dr. Howe aptly stated, "The more you learn, the more you earn."

• (1340)

The cost-benefit analysis clearly shows that investing in Aboriginal education pays off. I would like to congratulate Professor Eric Howe and the Gabriel Dumont Institute for

conducting and releasing this important report. It is a call for action not only for Saskatchewan, but throughout Canada to close the Aboriginal education gap. It is not only the right thing to do; it is an investment that we cannot afford not to make.

### NOVA SCOTIA

#### RURAL POPULATION MIGRATION

**Hon. Donald H. Oliver:** Honourable senators, rural Canada is in crisis. Across the nation, youth, citizens and long-established residents are leaving rural areas and moving to urban centres. This is particularly true in the case of Nova Scotia, where it is estimated that more than 40 per cent of the population lives in the Halifax Regional Municipality.

This is of concern to me as someone who also lives in rural Nova Scotia.

The way of life in rural areas is deteriorating at a fast pace. Basic services, transportation, health care and infrastructure are in urgent need of attention. Poverty is also of concern, as was noted in the Standing Senate Committee on Agriculture and Forestry report of 2008 entitled *Beyond Freefall: Halting Rural Poverty*.

Honourable senators, this really also concerns *The Chronicle Herald* of Halifax. It has initiated a new print and video series called "Crossroads: The Changing Face of Rural Nova Scotia" to examine this issue. The purpose of this new series is to shed some light on the realities, opportunities and challenges of living in rural Nova Scotia. It allows readers to learn more about everyday Nova Scotians, assess the situation in rural areas across the province, and begin a province-wide dialogue asking the tough questions: What is life like in rural Nova Scotia? Why are residents leaving for the big cities? How can we slowdown this exodus? Why are jobs vanishing? How can our society balance the needs of rural and small-town communities with those of Halifax?

The newspaper launched this new series in its October 16 edition and wrote:

We at The Chronicle Herald feel it is time for that to change. We feel that rural Nova Scotia's way of life and the place it holds in this province's fabric is worth preserving, worth fighting for.

The time has come to have the conversation.

One such story was published on October 18 and featured Chad Munro, a Nova Scotia trailblazer who founded Halifax Biomedical Inc. in 2004. Mr. Munro moved this highly successful company from Halifax to rural Mabou in Inverness County. Mr. Munro said:

Rural Nova Scotia is a tremendous asset that we're not capitalizing on.

The article highlighted how rural businesses are competing with the best of them in Nova Scotia.



Another piece dealt with the need to attract and retain more immigrants to small towns and rural areas outside Halifax.

Honourable senators, the newspaper is trying to get to the bottom of some important social issues in Atlantic Canada that our Senate committees have looked at in the past. It recognizes the urgency of addressing the challenges that are affecting our rural population. Crossroads will also allow those who live in urban centres to better understand the realities of rural communities and their many contributions to our society.

## PRINCE EDWARD ISLAND

### SENIOR ISLANDERS OF THE YEAR

**Hon. Catherine S. Callbeck:** Honourable senators, five outstanding people from my home province of Prince Edward Island were honoured as Senior Islanders of the Year by the PEI Seniors' Secretariat. This award recognizes and celebrates the significant contributions by Island seniors in many areas of community life, including volunteer work, fundraising, community participation, and career achievements.

The recipients for this year come from a variety of backgrounds. Their contributions have had a tremendous impact on their communities and the province.

Malcolm Patterson of Montague actively volunteers his time and energy to improve the well-being of those around him. Among other activities, he is a literacy volunteer, a volunteer for the Canadian Cancer Society, and a member of a number of community organizations and service clubs.

Thelma MacDonald was the first female mayor of the Town of Souris and served as a councillor for three terms. She has been active in her community through her support of many endeavours, such as the local rink committee, Meals on Wheels, the Heart and Stroke Foundation and rural beautification.

George Dalton of Summerside has been widely recognized across the province for his expertise in genealogy, heritage and historical issues. Mr. Dalton is an active volunteer with the Summerside and Area Historical Society, a member of the board of directors of Eptek Art and Cultural Centre and the Bedeque Area Historical Society.

Tina Davis of Stratford is an accomplished wood worker who created the tabernacle for the Sisters of St. Martha in 1985. Among many other activities, she is a director of the Seniors Active Living Centre, a volunteer at Anderson House, a builder with Habitat for Humanity and a canvasser for the Canadian Cancer Society.

Sheila MacKay of Bloomfield is an active member of the O'Leary Seniors Sunshine Club. She was a founder and president of the Maplewood Manor Auxiliary and has been a Brownie leader, Allied Youth Advisor, a volunteer with the O'Leary Skating Club, and a volunteer for literacy.

Honourable senators, these five exceptional individuals are shining examples of the very best in generosity of spirit and community service. Again and again, they have proven their

commitment to making Prince Edward Island an even better place to live for those around them. I would like to thank them for the many ways they have helped to improve our Island communities and congratulate them for this well-deserved recognition.

## THE LATE DR. J. FRASER MUSTARD, C.C., O. ONT.

**Hon. Nancy Greene Raine:** Honourable senators, after a very rich life, Dr. J. Fraser Mustard, internationally recognized medical researcher, died peacefully at his home in Toronto last Wednesday, November 16.

[Translation]

A few years ago I had the honour of meeting Dr. Mustard when I bestowed on him an honorary degree from Thompson Rivers University in Kamloops, British Columbia. I can tell you that he impressed me. His passion for his work was truly inspirational.

His accomplishments are many. He earned a degree in medicine from the University of Toronto. In 1966, he was one of the founders of McMaster University's Faculty of Medicine. He was also the founding President of the Canadian Institute for Advanced Research. He was a passionate advocate for innovation in the Canadian scientific community and the recipient of many awards during his scientific career, such as the Gairdner Foundation International Award in 1967.

[English]

Earlier in his career, Dr. Mustard focused on the role of blood platelets in cardiovascular disease. He was part of the research team that discovered how Aspirin could ward off heart attacks.

However, without doubt, his greatest contribution was the later work he did on early childhood development. In the last two decades he was an advocate for the importance of investments in early child development. He showed that early years of brain development set the stage for health and well-being. Many say his work in the 1990s for the Ontario government on *Early Years Study: Reversing the Real Brain Drain*, laid the foundation for instituting full day kindergarten in the province.

Throughout his career, Dr. Mustard influenced health policy in Canada by serving on many federal and provincial committees, councils and royal commissions. In 2002, he set up the Council for Early Child Development and Parenting. Dr. Mustard's most recent study was released yesterday, calling for early childhood education to start at age 2.

Honourable senators, as a proud Canadian, Dr. Mustard truly has inspired economists, educators and parliamentarians around the globe.

Dr. Bijou Blick, a pediatric specialist in Sydney, Australia, had this to say:

Fraser Mustard had a profound influence on all of us working in Pediatrics. Trained as an Adult Physician, he was open minded enough to realize that the evidence for how to achieve the greatest health gains in a population clearly identified the first six years of life as being the most important. His "Early Years" report for the Ontario



government provided a brilliant summary of this evidence, and has been used worldwide to convince governments, communities and physicians to refocus their efforts where they will provide the greatest benefit. His appointment in his later years by the Government of South Australia as "thinker in residence" is a testament to his influence in Australia and beyond.

• (1350)

Honourable senators, Dr. Mustard was a truly inspirational Canadian. He will be missed.

[Translation]

## ROUTINE PROCEEDINGS

### STUDY ON ISSUE OF SEXUAL EXPLOITATION OF CHILDREN

#### THIRD REPORT OF HUMAN RIGHTS COMMITTEE TABLED

**Hon. Mobina S.B. Jaffer:** Honourable senators, I have the honour to table, in both official languages, the final report on the issue of the sexual exploitation of children in Canada, entitled *The Sexual Exploitation of Children in Canada: the Need for National Action*.

(On motion of Senator Jaffer, report placed on the Orders of the Day for consideration at the next sitting of the Senate.)

### FINANCIAL SYSTEM REVIEW ACT

#### BILL TO AMEND—FIRST READING

**Hon. Claude Carignan (Deputy Leader of the Government)** presented Bill S-5, An Act to amend the law governing financial institutions and to provide for related and consequential matters.

(Bill read first time.)

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the second time?

(On motion of Senator Carignan, bill placed on the Orders of the Day for second reading two days hence.)

[English]

### INDUSTRIAL ALLIANCE PACIFIC GENERAL INSURANCE CORPORATION

#### PRIVATE BILL—FIRST READING

**Hon. Michael A. Meighen** presented Bill S-1002, An Act to authorize the Industrial Alliance Pacific General Insurance Corporation to apply to be continued as a body corporate under the laws of Quebec.

(Bill read first time.)

[ Senator Raine ]

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the second time?

(On motion of Senator Meighen, bill placed on the Orders of the Day for second reading two days hence.)

## PRIVATE MEMBERS' BILLS

### NOTICE OF INQUIRY

**Hon. Stephen Greene:** Honourable senators, I give notice that, two days hence:

I will call the attention of the Senate to the modernization of the practices and procedures of the Senate Chamber with a focus on private members' bills.

## SENTENCING AND RECIDIVISM

### NOTICE OF INQUIRY

**Hon. Tommy Banks:** Honourable senators, I give notice that, two days hence:

I will call the attention of the Senate to questions of sentencing under the Criminal Code, and its effect upon recidivism.

## LITERACY

### NOTICE OF INQUIRY

**Hon. Catherine S. Callbeck:** Honourable senators, pursuant to rule 57(2), I give notice that, two days hence:

I will call the attention of the Senate to the importance of literacy, given that more than ever Canada requires increased knowledge and skills in order to maintain its global competitiveness and to increase its ability to respond to changing labour markets.

## QUESTION PERIOD

### ENVIRONMENT

#### ENVIRONMENTAL REGULATORY REFORM

**Hon. Nick G. Sibbeston:** Honourable senators, recently plans were announced for a new oil and gas drilling program near Norman Wells in the Northwest Territories that will use hydraulic fracturing, commonly called "fracking." This technique is widely used in some areas of North America, but is prohibited in others over concerns about water safety. This is of great concern in the North, where little is known about aquifers and other geological structures affecting water.



At the same time that this proposal has come forward, it has come to light that fracturing has already been used by an oil company in the Cameron Hills area of the Northwest Territories. This occurred on a small scale for several years and only came to light when the company expanded its operation and had to change from a Type "B" Water Licence to a Type "A" Water Licence. This is an example of the regulatory gaps that currently exist in the North. The patchwork of the federal and territorial systems not only creates problems for economic development, but also for environmental protection.

How will the government ensure, when they finally move forward with regulatory reform, that the new system will be seamless in its operation so that development can proceed in a timely and sustainable manner while the environment is protected?

With respect to fracturing and other innovative industrial techniques, what will the government do in advance of full regulatory reform to ensure that these are not used in the North without proper oversight by regulators and without public knowledge?

**Hon. Marjory LeBreton (Leader of the Government):** Honourable senators, the development of our North is an important aspect of Canada's future. There are concerns unique to the North with regard to the environment and different procedures used. The honourable senator raised a question about fracturing, which is technical in nature and applies to specific development. I will take the question as notice and provide a written answer.

## HUMAN RESOURCES AND SKILLS DEVELOPMENT

### SENIORS' BENEFITS

**Hon. Catherine S. Callbeck:** Honourable senators, my question is for the Leader of the Government in the Senate. In 2009, Human Resources and Skills Development Canada received a report that it had commissioned on the take-up of seniors' benefits, which included Old Age Security. The report estimated that 125,000 seniors are not receiving the OAS benefit, even though they are eligible. The same report estimated that 33,000 Canadians are eligible for the OAS spousal allowance and 15,000 for the OAS survivor's allowance, but they are not receiving these allowances.

It has been two years since that report was done. My question is: What is the government doing to ensure that seniors entitled to these old age benefits do, in fact, get them?

**Hon. Marjory LeBreton (Leader of the Government):** Honourable senators, I have responded to similar questions from the honourable senator before on this matter.

The government has taken many measures through Service Canada and other agencies and departments of government to reach out and contact all Canadians who are eligible for assistance, whether the Old Age Security benefits or the Guaranteed Income Supplement. My successors as Minister of State (Seniors) have participated vigorously in this program.

I will be happy to obtain an update on the current numbers relative to those from 2009 cited by the honourable senator. The evidence clearly shows that the penetration rate has been markedly improved.

• (1400)

In the interest of having all the facts, I will take this question as notice and provide the latest information.

**Senator Callbeck:** Honourable senators, I would be very anxious to see those figures because a number of the 125,000 seniors who are missing out on receiving Old Age Security have low incomes. In fact, 90,000 of them have incomes under \$10,000 a year. That means that 70 per cent of seniors who are eligible for but are not receiving OAS benefits live well below the poverty line. These are the people for whom the OAS was created in the first place.

I know that the leader will get the numbers for me. However, has the government assessed the progress that has been made since that report came out two years ago, and is it going to change the way it is doing things? I would like to know whether there will be changes. The leader says that the government is reaching out to these people. I would like to know exactly what the government is doing now and if it is going to bring in improvements.

**Senator LeBreton:** The honourable senator asked what changes have been made. I can cite one off the top of my head that seniors now need apply for the GIS only once. As well, Budget 2011 enhanced the Guaranteed Income Supplement with an extra \$600 for low-income single seniors and an extra \$840 for low-income senior couples. In all fairness, the honourable senator would have to accept that the government is taking concrete and important steps in this regard.

I am told that the number of people who, before we came into government and in the first few years of our government, had not, for whatever reason, applied for or received Old Age Security or the Guaranteed Income Supplement has decreased markedly.

As I said, I will be happy to provide Senator Callbeck with the up-to-date figures.

[Translation]

**Hon. Rose-Marie Losier-Cool:** My question is for the Leader of the Government in the Senate and relates to Senator Callbeck's question.

I have recently met with seniors in Canada. I must first say that Canada's seniors have a good memory and they respect the work the Leader of the Government in the Senate did when she was the minister responsible for seniors.

Nonetheless, it seems that seniors are having a hard time making ends meet. Many of our seniors are living below the poverty line. That is shameful for a country like Canada, after the contribution these people made during their working lives.

I want to come back to the guaranteed income supplement. The Fédération des aînés du Canada and FADOQ in Quebec have raised the fact that seniors are having a hard time getting this guaranteed income supplement. Many seniors are unaware that it



exists; others know it exists, but do not know how to apply for it; still others know it exists and know how to apply for it, but find the current form too difficult to understand and fill out, especially if they are illiterate.

The Fédération and FADOQ would like a detailed explanation of what is impeding the very simple solution — it is not a monetary solution — that would allow a person to automatically start receiving the guaranteed income supplement on their 65th birthday without having to do anything but celebrate their birthday.

I would like you to give me as detailed an explanation as possible and to perhaps do so in this chamber through a delayed answer.

[English]

**Senator LeBreton:** I thank Senator Losier-Cool for the compliment. I am glad to see that the government is once again running ads on television on the serious issue of elder abuse. The Minister of Finance is embarking on programs to increase financial literacy for seniors. However, there surely cannot be large numbers of seniors in this country who still do not know that we have an Old Age Security payment and a Guaranteed Income Supplement. I cannot imagine that there are.

However, having said that, Service Canada has offices all over the country that would provide service to such individuals if they do have difficulty filling out the forms. I myself have participated in seniors' fairs where Service Canada met with seniors' organizations to explain the steps that seniors must follow in order to get their Old Age Security. As I said, thanks to our government, they need apply only once if they are eligible for the Guaranteed Income Supplement.

I have quite often put on the record things that the government has done, but I guess they bear repeating. Budget 2011 enhanced the Guaranteed Income Supplement with an extra \$600 for low-income single seniors and an extra \$840 a year for low-income senior couples, improving financial security for over 680,000 Canadian seniors. This is the largest increase in the GIS in 25 years.

The budget extends the Targeted Initiative for Older Workers to support training and employment programs. Over 10,000 seniors have been helped with this program since 2007.

The budget has an additional \$10 million over two years for the New Horizons for Seniors Program. I remember full well that when we formed the government senators opposite accused us of planning to cut the New Horizons programs. In fact, we added \$10 million. These programs build on the measures that we brought in for seniors as soon as we formed government in 2006.

For example, we have twice increased the age credit by \$1,000, providing tax savings to 2.2 million seniors. We introduced pension income splitting in 2007, for which I do not think I have ever heard a single word of praise from the opposite side. This is a hugely popular program. We increased the age limit for RRSPs from 69 to 71, and 85,000 seniors have been removed from the tax rolls.

[Senator Losier-Cool]

As I have said before, we raised the GIS earned income exemption from \$500 to \$3,500. We introduced automatic renewal of the GIS so that eligible seniors who file a tax return no longer have to reapply each year. Last year, 96 per cent of seniors had their GIS renewed automatically. I suggest to honourable senators that a 96 per cent success rate is extremely high.

We launched a national awareness campaign, which I mentioned a moment ago is running again, on the issue of elder abuse. In March 2007, we established the National Seniors Council, which I found extremely valuable in bringing seniors' issues to the attention of the government when I was the minister responsible for seniors. The present Minister of State for Seniors, Alice Wong, is also working closely with the National Seniors Council, with the objective to ensure that our seniors — who, as you quite rightly pointed out, helped build this country — have a full and happy life in their retirement.

• (1410)

**Senator Losier-Cool:** I thank the leader for her answer talking about success rates and also the answer which she gave to us that Services Canada will review.

I hope that they will look at an article which appeared in *The Globe and Mail* yesterday in the section "Money," written by a money expert, Preet Banerjee. He wrote:

... the Task Force on Financial Literacy recently found that about \$1-billion of Old Age Security benefits were left unclaimed. . . .

Is that transparency? Could the minister explain why that figure is so high? Do not say that they should look on the Internet; many of those people do not have access to the Internet. I hope that Service Canada will look at these numbers to determine the extent of this problem. People read these articles and they say this is what senior citizens tell us.

**Senator LeBreton:** I did see the article. The honourable senator asked for transparency. The fact is that we are the ones who established that task force and are dealing with this very serious issue of financial literacy that affects seniors so profoundly. This is one of the reasons the Minister of Finance is trying to work closely with our seniors because, as was correctly pointed out — and it falls under the elder abuse area as well — seniors are often given poor or actually fraudulent advice. As a result, they suffer greatly when they suddenly find that their retirement income has been stolen.

The government and all of us are trying to work with the various organizations, including the National Seniors Council. One of the big areas of concern for the Minister of Finance is the entire issue of financial literacy, not only for Canadians in general, but most particularly for seniors, because this group, through no fault of their own, have fallen prey to some very unscrupulous business practices.



## INTERNATIONAL COOPERATION

### FOREIGN AID FOR MATERNAL AND INFANT HEALTH IN DEVELOPING COUNTRIES

**Hon. Mobina S. B. Jaffer:** Honourable senators, my question is to the Leader of the Government in the Senate.

In June 2010, at the G8 summit, Prime Minister Harper stated:

Canada will champion a major initiative to improve the health of women and children in the world's most vulnerable regions. It is therefore time to mobilize our friends and partners to do something for those who can do little for themselves, to replace grand good intentions with substantive acts of human goodwill.

My question is: Exactly how much money has been dispensed by our government to these vulnerable regions, and which regions has it been dispensed to?

**Hon. Marjory LeBreton (Leader of the Government):** I thank the honourable senator for the question. As we know, the Child and Maternal Health Initiative was one of the Prime Minister's main pillars at the G8, G20 in June 2010. We committed to international development that focuses on tangible results and provides the best use of Canadian aid dollars. Through our maternal, newborns and child health commitment, we are focusing aid to 10 specific countries to reduce maternal and infant mortality and improve the health of mothers and children in the world's poorest countries.

The Muskoka Initiative includes key elements such as the treatment and prevention of diseases, basic nutrition and safe drinking water, among other areas. According to the World Health Organization and the World Bank estimates, the Muskoka Initiative will, over the next five years, prevent the deaths of 1.3 million children under the age of 5 and prevent the deaths of 64,000 mothers.

The honourable senator was asking specifically for the amounts in each of these countries that have been expended. I will be happy to provide her with that information by written response.

**Senator Jaffer:** I have a supplementary question. May I also please ask that when the honourable senator provides the response, she set out how much we have dispensed in multilateral agreements and how much bilaterally?

## LIBRARY OF PARLIAMENT

### PARLIAMENTARY POET LAUREATE

**Hon. Tommy Banks:** Honourable senators, my question is to the Leader of the Government in the Senate. We all understand the wheels of the gods grind slowly and that the business of government is complicated and time consuming, but it is important for us to remember that our souls and the soul of our Confederation are an important part of our lives, along with the more mundane considerations of the affairs of state.

As Mr. Einstein once pointed out:

Everything that can be counted does not necessarily count; everything that counts cannot necessarily be counted.

The position of Parliamentary Poet Laureate, which position is administered by the Library of Parliament and which this place had a great deal to do with — I recall that it had unanimous support here under the sponsorship of Senator Grafstein — has been vacant for five months and the nomination process to name a successor to the position does not appear to have begun.

We all know there are fiscal constraints in some quarters these days, but the cost of filling the post of Parliamentary Poet Laureate is \$25,000 per year. That may sound like a lot of money to some — it is to me — and it is an admittedly small stimulus, but it is one. I think everyone knows about the stimulating effect on every part of our economy of spending even small amounts in the arts and cultural sectors.

Can the leader provide us with information as to when the process of nomination for and consideration of appointment to this post will begin?

**Hon. Marjory LeBreton (Leader of the Government):** I thank the honourable senator for giving me advance notice of this question. When I received his email, I said to myself that there are many things the government is responsible for but I did not think the poet laureate was one of them. Anticipating the question, I took it upon myself to get up to speed on the process.

As laid out in the legislation, the Speaker of the Senate and the Speaker of the House of Commons choose the final candidate for the Parliamentary Poet Laureate from a list of nominations determined by a selection committee. That selection committee is composed of the Commissioner for Official Languages, the Librarian and Archivist of Canada, the chair of the Canada Council for the Arts and the Parliamentary Librarian, who chairs the selection committee.

In fact, honourable senators, this is a process that is not in the hands of the government. It is in the hands of the Speakers of both chambers. However, because I then sought this information as well for the honourable senator's question, I do understand that the selection committee is assisted in their deliberations by a past winner of the Governor General's Literary Award for Poetry, who serves as an advisor to the committee. I understand that at some point in the not too distant future, the individuals I have indicated in my response will hopefully be seized of this issue and, at the appropriate time, select the next Parliamentary Poet Laureate.

## ENVIRONMENT

### IMPACT ON EAST COAST OF GROUNDED SHIP

**Hon. Jane Cordy:** Honourable senators, my question is also for the Leader of the Government in the Senate.

• (1420)

The bulk carrier MV *Miner* was being towed to a scrapyard in Turkey when it ended up on the rocks of Scatarie Island in Cape Breton on September 20 of this year. The provincial government has so far spent about \$400,000 trying to clean the site by removing potentially hazardous materials. The federal government has



removed the fuel and some toxic materials, but the ship still remains abandoned off the coast of Scatarie Island. The estimated cost of salvaging the wreck is about \$23 million.

Will this government provide leadership and work with the Government of Nova Scotia to remove the vessel before more damage is done to the environment? Who is expected to pay for the removal of the abandoned ship? I am wondering, as are the people of Cape Breton and the people of Nova Scotia, what the plan is for the removal of this derelict ship.

**Hon. Marjory LeBreton (Leader of the Government):** I answered this same question from the honourable senator's colleague Senator Mercer some time ago.

The federal government has taken the actions that it is required to take to remove diesel fuel and other threats to the environment. Transport Canada's primary role is to ensure Canada's waterways provide safe navigation and are free of ship-source pollutants. Transport Canada has taken all appropriate measures to ensure that the MV *Miner* is free of all toxic fluids, diesel fuel and other environmental threats, and also that it is in no way blocking a major shipping navigational system.

The actual removal of the ship as it presently sits does fall under the jurisdiction of the Province of Nova Scotia, and the federal government and the federal Department of Transport will continue to work with the province to determine that there is no polluting of the marine environment and that it is not a hazard to navigation.

The ship apparently is still there, although there was a lot of speculation at the time it ran aground that it would not survive the waves of the North Atlantic. Transport Canada and the federal government have done everything that they can possibly do to work with the province and have assured themselves there is no hazard to the environment or to the shipping passage.

**Senator Cordy:** The problem is that the vessel is coated with lead-based paint and it is very close to fishing grounds. After several storms, the ship is still there, but there are now huge holes in the vessel near the stern. If something is not done soon, this could be a much larger environmental disaster than it is.

The leader is saying that the federal responsibility is finished because the vessel is not blocking a navigational system and that it is now under the jurisdiction of the province. However, the application process is a federal responsibility; the permit process is a federal responsibility. The federal government is responsible for federal towing and permitting regulations for ships being towed through federal waters; yet, when ships land on coastal shores and are stranded, the provinces are stuck with the bill for cleanup.

Minister, 25,000 lobster traps will be set in this area in the spring. It is one of the most lucrative lobster grounds in the country. This is a major concern for those in the lobster fishery in this area. Unfortunately, it appears from what the minister has said that it is not just the wreck that has been abandoned by this government, but it is the people of Nova Scotia who are abandoned by leaving us with a \$23 million bill.

[ Senator Cordy ]

It is the federal government that allowed this ship to be towed to Turkey. It never did arrive in Turkey; it is off the coast of Scatarie Island.

Will this government commit to do a full review of the regulations surrounding transportation of salvage vessels through federal waters? It does not appear to be fair that the federal government allows the ships to be towed, agrees to the application process, agrees to the permit to allow the ship to be towed, and yet if something happens, the provincial governments are left with the responsibility for cleaning up the mess. Twenty-three million dollars is a substantial amount of money to the people of Nova Scotia.

**Senator LeBreton:** I believe the honourable senator is mistaken. Her summary of my first response was that the federal government had done all it could do. I did not say that. I said that we will continue to work with the Province of Nova Scotia to determine that there is no polluting of the marine environment and that it is not a hazard to navigation.

With regard to the question about the procedures that are in place, and the senator has suggestions as to how this might be implemented in the future or if a similar situation arises, I will simply pass on her suggestions and comments to the Minister of Transport.

[Translation]

## ORDERS OF THE DAY

### EYYOU MARINE REGION LAND CLAIMS AGREEMENT BILL

#### THIRD READING

**Hon. Dennis Glen Patterson** moved third reading of Bill C-22, An Act to give effect to the Agreement between the Crees of Eeyou Istchee and Her Majesty the Queen in right of Canada concerning the Eeyou Marine Region.

[English]

**Hon. Nick G. Sibbeston:** Honourable senators, I am pleased to stand up and support the bill. We had an opportunity yesterday in the Standing Senate Committee on Aboriginal Peoples to have federal officials and the Cree leaders involved in this agreement appear before us. It was a very good discussion. I was thinking about my colleague Senator Patterson and that this was just like the old days when we were together in the Legislative Assembly of the Northwest Territories. For 12 years Senator Patterson represented the Inuit, and I represented the Dene in the west. We both worked to advance the cause of people and made a great deal of progress in this area and also in the area of responsible government.

I am pleased that there is no partisanship in this bill. Certainly in the other house all parties were in agreement, and hopefully all honourable senators will support the bill.



One area I raised and was concerned about in the committee was implementation. Land claim agreements in the past have been signed with a great deal of hope about their effect and hope that they would improve people's lives. Generally, they have. All land claim agreements in Canada have, I believe, been very positive. There have been at least four major land claim agreements in the Northwest Territories. In all cases they have advanced the lot and state of Aboriginal people in a very real way.

One problem over the last number of decades has been the issue of implementation. I am satisfied in the questions and in the answers that were provided by federal officials and the claimants in this case that the issue of implementation has been sufficiently covered. There are provisions in the bill and in the agreement for a 10-year review with respect to the federal government coming through, as it were, with respect to all aspects of the agreement.

• (1430)

I am satisfied with the answers provided and that the implementation of this particular agreement will come into effect in a positive way.

I do not have a great deal to say beyond this. I simply wish to urge all honourable senators to support the bill. I think it is a very good bill. It deals with an area in Northern Quebec along the shore of James Bay and Hudson Bay, and it will affect the Cree and some of the Inuit people in that area. I urge all honourable senators to support the bill.

**The Hon. the Speaker:** If there is no further debate, are honourable senators ready for the question?

**Hon. Senators:** Yes.

**The Hon. the Speaker:** It was moved by the Honourable Senator Patterson, seconded by the Honourable Senator Mockler that the bill be read the third time. Is it your pleasure, honourable senators, to adopt the motion?

(Motion agreed to, and bill read third time and passed.)

**MARKETING FREEDOM FOR GRAIN FARMERS BILL**

MOTION TO AUTHORIZE AGRICULTURE AND FORESTRY COMMITTEE TO STUDY SUBJECT MATTER—MOTION IN AMENDMENT—  
.. DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Plett, seconded by the Honourable Senator Patterson:

That, in accordance with rule 74(1), the Standing Senate Committee on Agriculture and Forestry be authorized to examine the subject-matter of Bill C-18, An Act to reorganize the Canadian Wheat Board and to make consequential and related amendments to certain Acts, introduced in the House of Commons on October 18, 2011, in advance of the said bill coming before the Senate;

And on the motion in amendment of the Honourable Senator Chaput, seconded by the Honourable Senator Mahovlich, that this motion not now be adopted, but that it be amended by adding:

“and, if the Committee decides to hold hearings on the subject matter of Bill C-18, it give consideration to hearing from all the thirteen current Directors of the Canadian Wheat Board.”.

**Hon. Donald Neil Plett:** Honourable senators, if I could borrow a line from Honourable Senator Baker, I have just a few short words to say at this time.

**Senator Robichaud:** Thank you.

**Senator Plett:** I want to speak to the amendment that the honourable senator made yesterday.

We can continue to amend a bill and put things into the amendments that have no place there, and we can continue to stall, and we are not speaking for the farmers of Western Canada by doing so.

**Some Hon. Senators:** Hear, hear!

**Senator Plett:** With respect to the amendment yesterday, the committee has the right to call witnesses, and the committee will clearly determine who those witnesses are, as the committee can determine whether its members should do some travel in their study. However, until the bill gets to committee for a study or, in this case, a pre-study, the committee has no mandate to do any of that. I would surely hope that there would be members that have been representing the Canadian Wheat Board either in the past or presently who would be asked to come. I would certainly hope so. However, to put that in an amendment and to tell the committee who it needs to call for witnesses is clearly not helping.

Honourable senators, we are disenfranchising the Western Canadian farmers who have waited since 1943, since the Canadian Wheat Board was made compulsory, to be able to go out and market their grain as they rightfully see fit. This filibustering, if you will, is not speaking on behalf of those farmers.

Many of us have been lobbied and visited by farmers. I have been, as have honourable senators opposite. The farmers that came to see me in my office clearly knew my leanings, and they did not come in and ask me or ask Senator Mockler in the meeting that we had together that we somehow not vote in favour of this bill. Their question and their plea to us was that we do give a proper study and the proper time to this bill. We are not doing that. We are not fulfilling the wishes of the farmers. These were farmers who are supportive of the Wheat Board the way it is, yet they said, “Make sure you give proper study to it. Take the time. Do not rush it.” However, what honourable senators opposite are doing is forcing us to rush it.

Our government, as I have said in the past, has made a commitment that we need to bring this through before Christmas so that farmers can start planning, and so that the Canadian Wheat Board can start a transition process. However, what honourable senators opposite are doing is preventing us from



doing the fulsome study, debate and hearings that the witnesses, the professionals and the experts can come to and tell us what they think about the bill, whether it is good or bad.

I had occasion yesterday to speak to a senator who did not understand what the Canadian Wheat Board does. When I explained to this senator that a Manitoban had been jailed —

Not you, Senator Mitchell, I think you have a rough idea.

I explained to that senator that a Manitoban farmer had been jailed when he got a fungus in his wheat. Some black kernels appeared in his wheat, and the Canadian Wheat Board refused to sell this wheat. They refused to take the wheat. This particular senator said, "Why did he not just go and sell it on the open market?" Amen to that. That is what he thought he should do. He got a buyer for his wheat. It was across the line, in the United States. Someone would buy his wheat from him, so he put it on his truck. He was going to go broke if he did not sell this wheat. He drove to the border. He was stopped at the border, not by the U.S. authorities but by the Canadian authorities, and he was told that he could not bring this wheat across the border. The farmer said, "Why do you care if I bring wheat across the border?" He was told, "Because you have to sell it through the wheat board." He said, "I tried. The wheat board would not take it." "Sorry, that is your problem. You cannot go across to sell it." He tried. He was jailed, honourable senators, in our country, for trying to sell his wheat on the open market. Our senator opposite did not understand that: "That makes no sense." I agree; that makes no sense.

Let us bring this bill to the place where we can study it and find out why these things happen. Amendments will not change the fact. Amendments will not stall the passage of this bill; it will pass, honourable senators.

I will read a portion of the motion that I made. In that motion, I am not asking honourable senators to vote in favour of the bill. The motion says that "in accordance with rule 74(1), the Standing Senate Committee on Agriculture and Forestry be authorized to examine the subject-matter of Bill C-18," not to pass it. Yet, you are preventing us from even examining it.

**Senator Eaton:** Shame!

**Senator Plett:** I will close with this, but I am not unhappy that the results of the last couple of elections were what they were. Certainly, I do not want to help members opposite win elections; that is not my concern. I would rather we win more elections, that we put members in here and that we put members in the other place. You would think that members opposite would look at the results of the last couple of elections and say, "Hey, this is not working —"

**Senator Mitchell:** Maybe 60 per cent of people voted against you.

**Senator Plett:** Maybe we should start listening to the electorate, especially to the electorate in Western Canada. Not many have been voting Liberal in the last few years.

[ Senator Plett ]

• (1440)

Therefore, I would encourage members opposite to stop this filibustering, to stop —

**Senator Dawson:** Stick to your notes.

**Senator Plett:** — putting amendments forward and to do what the electorate of our great country and the great farmers of Western Canada want. They want us to study a bill, take the proper amount of time and stop stalling on this. It is not helping you, it is not helping us, and it is most certainly not helping the farmers of Western Canada.

[Translation]

**Hon. Fernand Robichaud:** Honourable senators, I have just one comment. I have a hard time understanding how the honourable senator on the other side can point a finger at the senators on this side, accusing them of preventing people from coming to speak before the committee.

We proposed two amendments. The first amendment was to allow the committee to go meet with farmers where they live to listen to them. We can hear witnesses because we can bring them here and pay their expenses. But local area farmers should also be able to attend these hearings. The honourable senator voted against that amendment.

We then proposed a second amendment that was more specific and gave us enough time to study the bill. The honourable senator then told us that they want the bill to be passed before Christmas. We have been talking about that deadline for a while now, and we would have had enough time to meet it. It is unfair to accuse us of delaying debate because the honourable senators on the other side twice refused to go meet with people when we could have gone as early as last week.

I think that the honourable senator's accusation is unfair.

[English]

**The Hon. the Speaker:** Are there further comments or questions on Senator Plett's time? Continuing debate, the Honourable Senator Merchant.

**Hon. Pana Merchant:** Honourable senators, I want to speak about responsibility, duty, undertaking to act in the public good for a corporation — in this instance, a public corporation — and the question of the responsibility of individuals elected for that purpose and those selected by this government for that purpose.

Directors of any corporation have a duty established by common law to act in the best interests of the corporation. Directors and officers of the Canadian Wheat Board owe a duty to the Canadian Wheat Board as set out in subsection 3.12 of the act, which states:

... in exercising their powers and performing their duties shall

act honestly and in good faith. . . .



— and I seek to emphasize this part of the legislation —

. . . with a view to the best interests of the Corporation; and

(b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Honourable senators, that is the common law duty of directors of the Canadian Wheat Board; however, extraordinarily, that is, in addition, the statutory duty of the directors and officers of the Canadian Wheat Board.

What part of shutting down the Canadian Wheat Board and firing the employees could anyone pretend was part of “exercising their powers and performing their duties honestly and in good faith with a view to the best interests of the Canadian Wheat Board”? These duties are owed to the Canadian Wheat Board and to the Canadian Wheat Board alone.

Subsection 3.13 reemphasizes this extraordinary statutory duty imposed by Parliament upon the officers and directors of the Canadian Wheat Board. Subsection 3.13 provides that the officers and directors have protection against liability if they acted with a view to the best interests of the Canadian Wheat Board.

Subsection 3.13, in a second section of the legislation, requires the officers and directors solely serve the best interests of the Canadian Wheat Board.

It is important in our consideration that the directors and officers owe their allegiance as currently established by the act and not to any new entity that may be established. It is important that we consider that the very people who ought to be brought before us for examination in committee where in some instances people on the board encouraging the destruction of the Canadian Wheat Board are in many instances breaching their duty to the Canadian Wheat Board.

Directors owe no duty to the Conservative government who appointed them. They owe a duty only to the Canadian Wheat Board itself as an entity and an organization. They owe a duty by legislation to the Canadian Wheat Board itself as an organization.

In our deliberations and in questioning the directors and officers in committee, we should consider the matter through the lens or lenses through which our actions and their actions will be judged in the future and, indeed, perhaps many years into the future.

In suggesting to honourable senators that we examine the handling of this matter by the officers and directors and consider this as a factor in our approach to the legislation, the first lens would be: Did the officers and directors do all that reasonably could have been done to prevent the elimination of the single desk? If the elimination of the single desk does not destroy the Canadian Wheat Board, it will, we would all agree, downsize and change the Canadian Wheat Board. It is a breach of the duty to the organization, regardless of whether it is better for farmers.

In this lens, we would remember that directors and officers of the Canadian Wheat Board owe their allegiance to the Canadian Wheat Board as currently established and not in any way to a new entity, nor in any way to the farmers or the government.

Is the elimination of the single desk in the best interests of the Canadian Wheat Board? The answer seems obvious, but obvious answers sometimes elude members of the government.

In determining whether eliminating the single desk is in the Canadian Wheat Board's best interests, directors and officers must exercise care, diligence and skill that a reasonably prudent person would exercise. This is an objective test, meaning it would be seen by the court to be objectively reasonable based on what the individual knew or ought to have known at that time.

It is impossible to conceive of a situation in which a court or any Canadian would conclude that a company's loss of its most significant asset — in this case, the loss of a monopoly position — would be in the Canadian Wheat Board's best interests.

Therefore, directors and officers must take all reasonable steps to prevent this from occurring and some are, in part, people complicit in the government's plan to eliminate the Canadian Wheat Board. Their fiduciary duty is to the Canadian Wheat Board alone. Their common law duty, their legal duty, is to the Canadian Wheat Board alone. Their statutory duty, obeying the Parliament of Canada, is a duty to the Canadian Wheat Board alone.

If we, as senators, allow the directors and officers of the Canadian Wheat Board, a government institution, to pay no attention to the statutes of Canada, how can we, as members of one of the houses of Parliament, expect other Canadians to obey and act appropriately in keeping with the directions of the statutes of Canada?

**Some Hon. Senators:** Hear, hear.

**Senator Merchant:** This government hand-picked directors and told them that they were to disobey the statutes of Canada. This government countenanced and encouraged the deliberate dereliction of duty as imposed by the Parliament of Canada on behalf of the people of this nation in subsections 3.12 and 3.13 of the Canadian Wheat Board Act.

We cannot deliberate on the passage of this act until we have asked, if not each of the officers and directors then appropriate representation of the officers and directors, what they have done in fulfillment of their clear fiduciary common law and statutory duty to protect the Canadian Wheat Board.

We cannot deliberate until we have asked why and how they failed to protect the Canadian Wheat Board and why and how they failed in their fiduciary, common law and statutory duties to do so. We cannot deliberate until we ask why two directors resigned from the Canadian Wheat Board, although we could and should speculate about why they resigned.

• (1450)

The Canadian Wheat Board has 15 directors, of whom 10 are elected by the 140,000 permit holders and 5 are appointed by the government. Eight of the elected are in support of the single desk, and 2 support the dismantling of the Canadian Wheat Board. It is their right from outside the board to make whatever arguments or



have whatever beliefs they may have. However, once elected, they must fulfil their fiduciary and common law duties, as well as their statutory duties. Those duties are duties to the Canadian Wheat Board alone.

The government, acting contrary to the legislation of Canada, appointed five representatives of the Canadian Wheat Board for the purpose of dismantling the Canadian Wheat Board and directed those directors to breach their fiduciary, common law and statutory duties to the Canadian Wheat Board.

Actively negotiating the elimination of the single desk or the creation of a new entity has to be seen as, and is, contrary to the Canadian Wheat Board's best interests. It is a breach of the fiduciary, common law and statutory duties of officers and directors of the Canadian Wheat Board.

That is what the two directors who resigned were advocating, in dereliction of their duty. That is what the directors appointed by the Government of Canada have advocated, in dereliction of their duty.

I say, again, if one of the houses of Parliament accepts that it is appropriate for seven directors, and perhaps some of the officers, of the Canadian Wheat Board to have been in breach of their statutory duty, never mind their fiduciary and common law duties, then this is a serious matter that this body must examine with care.

Honourable senators, this is not a political issue. This is an issue of respect for the institutions of Canada and respect for the statutes that we, as members of Parliament, have enacted. We all know the political issue. We all know that the farmers of the four Western provinces consistently elected protectors of the Canadian Wheat Board, except for two directors who, when the heat was on, realized that they were breaching their fiduciary, common law and statutory duties and, likely out of fear of the consequences of those breaches, resigned from the board. We all know that the eight directors who lived up to their fiduciary, common law and statutory duties have fought to protect the Canadian Wheat Board. The issue that I leave with this body for consideration in committee, a new insight to which I draw the attention of honourable senators, is that where statutes are breached, we, to maintain the integrity of our two houses of Parliament, must examine with care the seriousness of deliberate statutory breach by directors appointed by this government with a purpose of breaching the statute. We must examine with care the conduct of the 2 of the 10 elected directors who joined with the government-appointed directors in breaching their statutory duty, as well as their fiduciary and common law duties.

There may be a difference of view on whether the Canadian Wheat Board single desk is valuable for farmers or not. This issue, goes far beyond a difference of view about the single desk. It is a matter of respect for the institutions of Parliament and the statutes of Parliament.

**Hon. Bert Brown:** Would the honourable senator take a question?

**Senator Merchant:** Yes.

[ Senator Merchant ]

**Senator Brown:** Is the honourable senator aware of the origins of the Wheat Board?

**Senator Merchant:** Honourable senators, I am only speaking about what the committee should be doing in this instance. I am speaking to the amendment of Senator Chaput. I am not speaking to the history of the Wheat Board. That has nothing to do with this, senator. This is about breaching the laws of Canada. That is why I think we should hear from the directors.

**Senator Brown:** I would propose to tell my honourable friend the origins of the Wheat Board. It actually was an organization that came about in World War I to provide wheat for Mother England. In World War II, the government — I believe the Liberal government — passed a law to make it illegal for farmers to sell their grain to anyone but the Wheat Board. I believe that this government, having a majority and having more farmers that voted to change the Wheat Board than ever before, has every right and every power to do that if it wishes to.

I will speak on this matter later.

**Senator Plett:** Would the honourable senator accept another question?

**Senator Merchant:** Yes.

**Senator Plett:** Thank you.

It is my opinion that the entire debate, the bill, the legislation, are about the farmers of Western Canada and not about saving the jobs of 13 directors. It is about the freedom to market the grain of Western Canadians.

I hope I misunderstood the honourable senator, but I understood her to say that this is not about the farmers but about the Wheat Board. I would like that explained to me. How is this not about the people who are out there trying to earn a living, growing crops, spending millions of dollars planting and harvesting crops? It is their crop while they are doing it. As soon as they have harvested it, taken it off the land and plunked it into their yard, it is no longer their wheat. To me, this is all about them, so please do not give me the legal answer.

**The Hon. the Speaker:** Order, please.

As the honourable senator's time has expired, to continue on the honourable senator's time she would have to request an extension. If there is no request, we are now back to debate.

**Hon. Nicole Eaton:** Honourable senators, I would like to speak on behalf of the farmers of Canada.

**Senator Mitchell:** Because you know them so well.

**Senator Eaton:** Yes, I do.

Western Canadian farmers have, this year, finished harvesting a very high quality wheat and barley crop that will feed the world. They have managed that crop every step of the way. They have seeded it, sprayed it, fertilized it and harvested it. Many of them are farming 5, 10, 15 and 20,000 acres. We believe that those



farmers are capable of marketing their crops. They do not need anyone from downtown anywhere telling them what to do with their product.

In the June 2011 Speech from the Throne, our government reiterated our commitment to ensuring that Western farmers have the freedom to sell wheat and barley on the open market.

Honourable senators, we are committed to delivering on that promise. We will deliver marketing freedom to Western grain farmers. This party ran election campaigns in 2004, 2006, 2008 and 2011 very clearly stating that it was our intention to give Western grain producers marketing freedom, and we received overwhelming support from our rural supporters in Western Canada. This is an issue that has been debated ever since the monopoly was first imposed 68 years ago and certainly since farmers sent our government to Ottawa five years ago.

This is not a new debate, honourable senators. As the Minister of Agriculture said the other day, he has not heard anything different in this most recent debate than he has heard over his entire career in public life.

**Senator Cowan:** He should listen.

• (1500)

**Senator Eaton:** I think everyone would agree that a general election carries more weight than a non-binding survey the Canadian Wheat Board held this fall. This expensive non-binding survey did not even include marketing freedom as an option. Further, the Canadian Wheat Board's own spring survey indicated that a majority of farmers preferred a change from the monopoly. The official 2007 plebiscite on barley found the majority of farmers wanting an alternative to the single desk, which the Canadian Wheat Board and Parliament would not honour. In any case, the Canadian Wheat Board Act does not require a plebiscite before Parliament considers whether to repeal the act itself. Clearly honourable senators in the other parties have one thing in mind; they want to delay this bill at all costs. If they delay it, they think they can disrupt the markets enough that it will not be successful.

This government truly respects the right of Western Canadian farmers to have the same marketing freedom and opportunity other farmers in Canada and around the world do. Western Canadian wheat, durum and barley farmers want to be able to choose whom they sell their grain to, and when. They want to be able to market, based on what is best for their business.

We want constructive dialogue, but unfortunately the colleagues opposite are only interested in slowing up the process. This is doing nothing but sowing uncertainty and doubt in Canada's heartland.

They say you want more time to debate. I have no problem with constructive discussion, but not delay tactics that create unnecessary confusion within the industry, all of which will ultimately cost the Canadian farmer.

We are moving forward for farmers, and I invite all our colleagues to join in.

The fear mongering and stall tactics we have seen from the opposition threaten to destabilize a \$16-billion western grain industry and could undermine the livelihoods of thousands of grain farmers. Today's entrepreneurial farmers are proving over and over that they can and will help drive our economy. They have control over their farms and their bottom line. They have already made marketing decisions on their canola and pulse crops. They want the same marketing freedom for wheat and barley. We live in a free country, and giving farmers the freedom to choose is the right thing to do. Removing the Canadian Wheat Board single desk is the best thing for the economy and will result in increased innovation, investment, value-added opportunities and employment.

We want to extend to all Western Canadian wheat and barley farmers the same marketing freedom and opportunity as other farmers in Canada already have. We fully recognize there will be significant change associated with this transition.

Honourable senators, we recognize that this is a major change for agriculture in Western Canada. That is why we have been consulting extensively with stakeholders from across the supply chain from farm to sea port. Over the summer, a working group comprised of experts in the field heard a broad range of advice on how the grain marketing and transportation system could transition from the current Canadian Wheat Board-run single desk system to an open market that includes voluntary marketing pools. The working group is one of the many ways the government is seeking advice on how to move forward.

During our extensive consultations, industry raised a number of valid issues around transition. I would now like to address those concerns.

Honourable senators, fear is always man's biggest enemy in change. We need only to look at the Australian experience to see how a wheat industry can prosper once it is unshackled from a monopoly. Australian Minister for Trade Dr. Craig Emerson said recently that:

It was a remarkably smooth transition. . . . There is no call to go back, to turn back the clock. . . . It's been one of the great reforms in Australia, and I'd certainly recommend it.

Already we are seeing the same kind of excitement and innovation building — not only in Canada but across the continent — as buyers begin to jockey for farmers' business. For the first time ever, the Minneapolis Grain Exchange will be accepting Canadian grain for futures settlement. Rita Maloney, the Minneapolis Grain Exchange's director of marketing, business development, communications and media relations, said:

We do see this as an area of growth potential for us as it will allow producers, elevators and marketers across Canada to be able to not only use the contract for hedging, but also be part of the delivery process in the future.

Meanwhile, ICE Futures Canada in Winnipeg is working on creating its own spring wheat and durum wheat futures contracts based in Western Canada.

Marketing freedom will usher in a new springtime for Canadian wheat. Over the past two decades we have seen wheat and barley acreage decline as farmers voted with their air seeders and turned



to canola and pulses. A record harvest of canola is forecast this year. We must not buy into fear. We must embrace a future where producers will be able to manage their business as never before, with transparency of prices and control over whom they sell to. Young farmers will have the tools they need to make their farming dreams a reality, and farm entrepreneurs can harness innovation and add value to crops beyond the farm gate.

It will open the window to new investment in innovation and value added potential right here on our prairie soil. Farmers will be able to contract directly with processors to deliver the consistency and quality customers are demanding. The sky will not fall under marketing freedom, honourable senators. The sky will be the limit.

**Hon. Robert W. Peterson:** Honourable senators, it is important to point out that we are not trying to minimize or prevent detailed discussion and presentation of witnesses on Bill C-18. What we are attempting to do — as outlined in recent amendments — is to give farmers who are most impacted by this legislation the opportunity to be heard and to present their opinions and concerns in front of the committee. One way to achieve this would be to have the committee travel to Western Canada where the farmers actually reside.

We do not feel it is fair or democratic to force farmers to come to Ottawa at their own expense to be heard. All of this is because you deceived the farmers in the first instance. You claim that the farmers of Western Canada were well aware of your position in the past elections and if you were elected you would dismantle the Wheat Board. What is most disturbing is that when your own Minister of Agriculture was asked at a public meeting — some two months before the election this spring — if he would dismantle the Canadian Wheat Board, he said that the Conservatives “respect the vote” of farmers who backed the single desk and that there would be no attempt to impose dual marketing on the Canadian Wheat Board unless a majority of producers voted for it. He said, “Until farmers make that change, I’m not prepared to work arbitrarily. They are absolutely right to believe in democracy. I do, too.”

That is a pretty powerful statement coming from a minister of the Crown, whom you would logically assume would be speaking on behalf of his government, or in other words, representing government policy. Farmers would rightfully think that no matter how they voted in the election they would still have a free vote on the single desk.

**Some Hon. Senators:** Hear, hear!

**Senator Peterson:** However, that was not to be. In spite of your assurances that farmers in Western Canada overwhelmingly support your actions, I feel I must share correspondence I have received from farmers particularly in my home province of Saskatchewan:

Dear senator: In spite of the fact I have often voted Conservative, I feel I must speak out against this government’s shabby treatment of the Canadian Wheat

Board and those of us who wish to retain the Canadian Wheat Board in its present form. In their crusade to dismantle the single desk marketing structure, the Harper administration pretends to represent the majority of farmers, but the evidence belies that claim. Over the years Western Canadian farmers have consistently chosen single desk avenues to represent them on the Canadian Wheat Board advisory committee and in a recent Canadian Wheat Board producer plebiscite, a majority voted to retain the single desk.

From the time the Harper Conservatives came to power, they have worked tirelessly to scuttle the single desk. In so doing, not only have they refused to respect the wishes of the majority of Western Canadian farmers, but have seemingly employed every dirty trick in the book, including deception, slander, bullying, to promote their political agenda. If the average Canadian citizen conducted themselves in this fashion, he would be in danger of being tarred and feathered. I deeply resent my federal leaders limiting parliamentary . . .

• (1510)

That letter was from a farmer in Kindersley, Saskatchewan. I did not make this stuff up. That is what the letter said. The truth hurts sometimes.

I will read another letter:

I am very concerned about the lack of debate on Bill C-18 and the potential loss of the single desk and the effects it will have on my farm. I strongly recommend that Senate hearings be held in each of the three Prairie provinces.

That was from Emerald Park, Saskatchewan.

I will read another letter:

Dear senator:

I am a Saskatchewan farmer and Canadian Wheat Board permit holder. I wish to protest the deregulation of the Canadian Wheat Board by the Canadian Harper government and want the democratic right to decide the future of the Canadian Wheat Board by farmers and not unilaterally by the current Canadian government.

There are more but I think honourable senators get the message on where the farmers in Western Canada stand and what they are thinking. It is pretty clear. You can hide and you say you have this and that, but they asked to be treated fairly and you said you would do it.

Honourable senators, one gets the impression that the government feels it is a done deal. We all know what is going to happen; why are we wasting time? Let us get it over with. There is democracy in action. That is a short-sighted and narrow focus. I ask honourable senators to join me in supporting this amendment. I am sure you will.

**Hon. Lillian Eva Dyck:** Honourable senators, I find it quite amazing that we are having a debate and things are relatively quiet. However, the moment that letters from individual farmers



are read aloud, honourable senators opposite go ballistic. Why is it that they do not want to hear what the actual farmers have said to us in their letters and their emails? I thought democracy was about listening to what people have to say. Clearly, they do not want to listen. They can roll their eyes and shake their heads all they want, but farmers have a right to be heard. This is unbelievable.

Please, these people want to be heard. I was not planning to read any letters but I will do so. I am sorry, Senator Tkachuk. This letter is from Saskatchewan; these are all from Saskatchewan.

Dear Senator:

In spite of the fact that I have often voted Conservative, I feel I must speak out against this government's shabby treatment of the Canadian Wheat Board and ask those of us who wish to retain the Canadian Wheat Board in its present form. In their crusade to dismantle the single desk marketing structure, the Harper administration pretends to represent the majority of farmers . . .

Maybe I should repeat that:

In their crusade to dismantle the single desk marketing structure, the Harper administration pretends to represent the majority of farmers, but the evidence belies that claim.

Just because honourable senators opposite say it is so, does not mean it is true.

I will continue the letter:

Over the years, western Canadian farmers have consistently chosen single desk advocates to represent them on the Canadian Wheat Board Advisory Committee. In a recent Canadian Wheat Board producer plebiscite, the majority voted to retain the single desk. From the time the Harper Conservatives came to power, they have worked tirelessly to scuttle the single desk. In so doing, not only have they refused to respect the wishes of the majority of western Canadian farmers but have seemingly employed every dirty trick in the book, including deception, slander and bullying, to promote their political agenda. If the average Canadian citizen conducted himself in that fashion, he would be in danger of being tarred and feathered. I deeply resent my federal leaders limiting parliamentary debate on a piece of legislation which adversely affects my livelihood as well as that of my friends and neighbours in the false pretense that they speak for the majority and know what is best for us. What arrogance.

You in the Senate are our last hope. Farmers have been denied a say on a subject which affects them profoundly; yet the law of the land requires a farmer plebiscite before anyone is permitted to tamper with the Canadian Wheat Board. Given the fact that this government does not speak for the majority of western Canadian farmers and is running roughshod over the legal right to a plebiscite, I urge you to

put the current legislation on the back burner until this government obeys its own laws and farmers have had a chance to express their views.

**Some Hon. Senators:** Hear, hear.

**Hon. Tommy Banks:** Senator Dyck has said exactly the point. I want to try to remind honourable senators opposite that a successful democracy is not one that simply imposes as a matter of course the will of the majority. That is not how a democracy works — that is not how a successful democracy works. Rather, that is called the “tyranny of the majority.” We talk about hearing the views of the people who are directly affected by this proposed motion and I understand we are not talking about the main motion but a motion in amendment. The point of the objections of the farmers, whom all honourable senators are hearing from, is that the law states that the government cannot substantively change the actions of the Wheat Board, including the single desk selling option, without the government conducting a plebiscite from the licensed wheat and barley growers. That is what the law says.

A wise convention is that a government ought not to do by the back door what it cannot do by the front door. This government has decided to go to the back door. It does not like the law, so it will change the law, quite regardless of the promises made to farmers by a minister of the Crown prior to the last election. However, Canadians are getting used to this government saying it will do things that it will not do or saying it will not do things that it will end up doing.

I have one more letter. It is from Wendy Manson, from Outlook, Saskatchewan:

Our century farm harvested 2400 acres of wheat, durum, peas and lentils this fall. Our preferred marketing tool is the Canadian Wheat Board. The power of the CWB is in its single desk and in its powerful role in transportation. The undemocratic behaviour of the Harper government is very distressing. Please do what you can to stop it.

Honourable senators, there is a misunderstanding. There is an assumption on the other side that this side is opposed to a prestudy of Bill C-18. We are not opposed to a prestudy of this bill. In fact, all of the motions in amendment, which they keep voting down, contemplate the prestudy of this bill. The amendments are to vote to prestudy the bill. The present motion in amendment is not a mandatory or declarative one because it states that if the committee decides to study the bill, which is another discussion, it take into consideration the possibility of listening to the directors of the corporation.

• (1520)

Senator Plett said that the committee will decide on its own who to hear, what to hear and where to hear it. That is not entirely true. It is, if the committee acts entirely within its mandate, but it is the quite proper business of this place from time to time, and we do it from time to time, although not sufficiently often, to instruct Senate committees on what they will do and how they will do it.



**Senator Plett:** We are big boys and we can decide for ourselves.

**Senator Banks:** No, the Canadian farmers want you to hear them before you decide what to do with the bill.

I implore senators opposite to vote for the amendment which contemplates pre-study of the bill, as the previous two amendments contemplated pre-study of the bill. All they asked was that the appropriate committee find out for itself exactly what these people think, from their mouths, in their homes, where they work. Members do not want to hear that.

**Senator Eaton:** That is garbage.

**Senator Banks:** Garbage? Senator Eaton, you have had your downtown say and I am now having my downtown say. Listening to farmers where they work is not garbage. The idea of listening to Canadians about what they think is not garbage.

**Some Hon. Senators:** Hear, hear.

**Senator Banks:** Senators, we have an opportunity in this place to do the right thing. I only ask that you consider what the farmers in Western Canada who grow wheat and barley, and from whom you have heard as well as we have by the hundreds, have to say, and then we can do the right thing.

**Hon. Nancy Greene Raine:** Honourable senators, I sometimes get a bit confused. I keep hearing the term "single desk." I think what senators are talking about is monopoly. In fact, there is a lot more than a single desk in that bureaucracy.

**Hon. Grant Mitchell:** Honourable senators, I thought the honourable senator might go on to explain what more there is in that bureaucracy. I would certainly defer to her if she wanted more time to do that.

I want to respond to several comments by honourable senators across the way. I was struck by the impassioned argument made by Senator Plett about how the alleged delay of a review of this bill by committee was somehow disenfranchising farmers. Generally speaking, when one discusses the franchise it is all about votes, so let us talk about votes and disenfranchising.

The government's own act calls for a plebiscite by farmers before any decision such as this is made, and farmers are not getting that vote. That is disenfranchising, and that is not being done by this side of the house but by that side of the house and the government that senators there so ably and directly represent.

Speaking of disenfranchising, the Canadian Wheat Board conducted its own plebiscite, and the government has completely disregarded it. That is disenfranchising the farmer, and that is not being done on this side but on that side of the house.

When talking about breaking laws, we should have a debate about the number of laws that this government breaks routinely. While I am adamantly opposed to mandatory minimum sentences, I am beginning to think that we need a mandatory minimum sentence for prime ministers who break their own laws.

The government broke this law and they contravened the Elections Act. They have been told by the Privacy Commissioner and Information Commissioner that if they destroy the gun registry information, they will be breaking that law. They have been told by every court in the land they are breaking the law with respect to human rights, civil rights and even the right of Mr. Khadr to be returned to Canada.

Our rules do not provide me with enough time to speak about all the laws that this government breaks. They have a double standard. If people break the law, they must be punished, but if the government breaks the law, that is entirely different.

When talking about disenfranchising, it is this government that is disenfranchising the farmer. That is a fait accompli. As well, the government is breaking their own law to disenfranchise the farmer. They fall back on the idea that they ran on this in an election. To hear this argument one would think that the only question to Canadians in the entire election campaign must have been whether they thought we should have a dual desk Canadian Wheat Board. They think that when Mabel Smith in downtown Toronto, who lives somewhere near Senator Eaton, decided to vote for the Conservatives it was because she wanted the Canadian Wheat Board to be a dual desk agency. Maybe someone in Smiths Falls voted in that way. Maybe that was the only ballot question.

First, this was not the only ballot question. Second, the farmers who are affected by this certainly did not carry this vote, and the Conservatives cannot be sure that a majority of the farmers voted for them. They forget that they got 40 per cent of the vote and that 60 per cent of the people voted against them, so they have to show some respect for the other side. That is how democracy works, particularly when you do not win 100 per cent of the votes and 100 per cent of the seats.

If ever there was an indication of lack of respect for the other side of an argument, it was in the reaction of the other side to the reading of the words of Canadians who happen to disagree with this government. What a travesty. Those Canadians get cat calls and are put down. These are good, honest people who might even have voted for the government. That is the lack of respect and put down they are subjected to.

Do not talk to us about disenfranchising farmers. The other side has disenfranchised farmers and has broken their own law to do so. Do not talk to us about respect for the voters. The other side is not showing respect for voters when we read their words in this chamber. Do not talk to us about respecting the voters when they are jamming this down the throats of many voters, 60 per cent of whom did not vote for this government. Do not try to tell us that in that election there was a single ballot question, because there was not; there were many ballot questions, of course.

I wish to reinforce what my colleague Senator Banks said about the pre-study. Why is this debate delaying a study at all? Why do we even need a pre-study? How long has this bill been at report stage in the other place? How difficult is it for that majority government to take something from report stage, present it in the chamber, pass it, and send it here so that there would be no need



for pre-study? We could have the bill with the knowledge that it was not amended at third reading over there. As it stands, we could pre-study a bill that could be changed fundamentally in the other place at third reading. They might have a revelation and realize that it might be democratic to listen to someone who disagrees with them for once, instead of bullying all the time.

If the government brought the bill over here, we would have no problem. We would be happy to study the bill. In fact, if members opposite vote for some of these amendments, the study would be much more open and democratic and much better. It would fulfil the need for Canadians, particularly Western Canadians, to have some input into this very important piece of legislation which could seriously damage their economic futures.

I am struck by Senator Eaton's statement that this debate is causing uncertainty in the markets. This debate has gone on for 25 years and suddenly they are squeamish about two weeks of uncertainty in the markets.

Let us talk about uncertainty in the markets, including the uncertainty in the markets caused by climate change. Major industries in this economy are asking for a set of rules so that they will know what they are dealing with and therefore can reduce their risk.

• (1530)

I am not unsympathetic to your argument, but bring that thing across here. We will get some debate and study and we will have the uncertainty settled in about two weeks. People will have had their input, we will have had some democracy, and you might actually be provoked not to break your own law. Everything would be a lot better as we approach Christmas, and the new year would be a great place to be.

**Hon. Joan Fraser:** This is another downtown voice, honourable senators. I do not know anything to speak of about wheat, but in my years here I have learned something about this place. I would like to address a point that has been made again today by Senator Plett, Senator Eaton and frequently by the Leader of the Government in the Senate.

It goes roughly as follows: We won the election; therefore, we have a mandate to do this. The implication is that it is illegitimate for those of us on this side of the chamber to raise questions.

It is true that there is something called the Salisbury principle.

**Senator LeBreton:** Will we get a lesson now?

**Senator Fraser:** Yes, I will try to give a lesson to some of the newer senators. They do not have to listen if they do not want to, but I think it is worth putting on the record.

**Senator LeBreton:** We will get one of your editorials now.

**Senator Fraser:** The Salisbury principle says, basically, all other things being equal, that if a government has been elected with an explicit element of a platform that it then brings in through legislation, it will not be blocked by the Senate, even if the opposition has a majority in the Senate, in general, all other things being equal — but all other things have to be equal.

If, for example, the Senate believes that the proposed legislation is contrary to the Charter of Rights and Freedoms, then, even if it was in the platform, the Senate will probably end up opposing it. There are other examples that I could give. One that came to mind is not federal, but it is provincial. However, it keeps coming to my mind because so many of the speakers on the government side say, as if it were an absolute good, that this bill will give freedom to farmers.

Not all freedoms are necessarily desirable. The National Assembly of Quebec could decide, in its wisdom, to give me and every other Quebecer the freedom to drive on the left or the right-hand side of the road, depending on how I felt that morning. This is not a freedom that I would wish to have, because it would lead rapidly to chaos and to many deaths. This is a freedom that I am perfectly glad to have restricted, thank you very much.

In this case, I am willing to accept, for the sake of argument that many, maybe even most of the wheat farmers in the West voted for the Conservative Party. It has been their party for years and years, and they trusted it.

They presumably trusted the Minister of Agriculture when he told them we will not do this without giving them a chance to vote. They presumably trusted their party and their government not, in one fell swoop, to abrogate the existing legal protection for their vote at the same time as it imposed a new regime upon them.

In fact, that is what is happening. The government has refused to consult farmers. It refuses to pay any attention to the consultation that was conducted in which a majority of those farmers said, "We don't want your change, thank you very much." That makes the mandate that the government got in its election much less clear.

I would submit to you, therefore, honourable senators, that as the chamber of sober second thought, it is the Senate's duty to go to the farmers and hear what they have to say. That is all we have been saying on this side.

Senator Plett said that this bill is going to pass. We can count. We know the bill is going to pass, but we are not doing our duty if, at the very least, we do not try to go out there and see those farmers where they live and work and hear what they have to say.

**Hon. Percy Mockler:** Honourable senators, I move the adjournment of the debate.

**The Hon. the Speaker:** It has been moved by the Honourable Senator Mockler, seconded by the Honourable Senator Wallace, that further debate on this matter be continued to the next sitting of the Senate.

Is it your pleasure, honourable senators, to adopt the motion?

**Hon. Senators:** Agreed.

(On motion of Senator Mockler, debate adjourned).



## INCOME TAX ACT

BILL TO AMEND—SECOND READING—  
DEBATE ADJOURNED

**Hon. Grant Mitchell** moved second reading of Bill S-205, An Act to amend the Income Tax Act (carbon offset tax credit).

He said: Honourable senators, my bill concerns climate change. It is a specific initiative that would give Canadians at all levels, in all walks of life, the chance to do something concrete and personal about climate change.

It is important for that reason and for many reasons. It is important because it gives a tangible initiative that is easily doable by many Canadians that can speak to their uncertainty about what can be done, their concern about whether enough is being done, and their desire to have a government that would collaborate with them to get big and important things done as a society in working together.

This bill is symbolic in many ways in addressing those kinds of elements in this debate, but it also has concrete and real possibilities and would have concrete and real effects.

The bill is in the context of a climate change crisis. It is becoming ever more apparent that it is a crisis and that the consequences of not acting can be catastrophic, if some of the consequences already are not catastrophic.

As recently as two weeks ago, we heard from the International Energy Agency. This is not the IPCC, or the United Nations even, although I have huge respect for their work. This is not some specifically focused environmental group that seems not to accept any argument that would support an economy. This is the International Energy Agency, structured under the OECD in 1973 to respond to the tremendous pressures and issues that were arising in the energy industry at that time because of shortages. That organization has sustained and distinguished itself since 1973 — almost of 40 years — because it has profound credibility.

That group said:

On planned policies —

— that is to say, the policies that exist in the world today to deal with climate change —

— rising fossil fuel energy use will lead to irreversible and potentially catastrophic climate change.

Those are not easily chosen words. Those are very carefully chosen words.

**Senator Banks:** Read them again.

**Senator Mitchell:** I will read them again:

On planned policies, rising fossil fuel energy use will lead to irreversible and potentially catastrophic climate changes.

A group of this nature and stature, with its credibility and with its presence, influence and power in the world, will know that to

use language like that has to be considered very carefully, because the consequences of that kind of language can be significant and severe.

They go on to say that last year, despite all the talk, greenhouse gas emissions in the world increased by 5.3 per cent. That is a monumentally large increase, particularly in a world where some effort is being made and lots of talk — particularly by this government in this country — is being presented about doing things when, in fact, clearly, very little is being done and certainly not enough by countries like Canada.

• (1540)

The Prime Minister himself has said twice in international fora that he is committed to the science that dictates that we must keep greenhouse gas emissions to a level that will ensure that the average temperature in the world does not exceed the 2 per cent threshold that we have all heard about.

The IEA goes on to say that if we continue what we are doing, within several decades it will not just be a 2 degree increase but will actually be a 3.5 degree increase. That is a profoundly significant increase in a profoundly short period of time that will have, as they point out, catastrophic effects on every feature of life — economies, societies, health, the ability of nations and societies to get along with one another, war. This will be profound in its implication and in its application within the world.

It is not just the IEA who is drawing attention to the significant challenges of climate change. The Minister of the Environment, in what was a very enlightened moment in the debate in this Parliament about climate change, several weeks ago appeared before the Standing Senate Committee on Energy, the Environment and Natural Resources. He was provoked by several of his Conservative senators to, in some way, say that climate change science was questionable and that climate change, if it was occurring, was not occurring because of our human activity. You know what? He did not bite on that hook. He did not take that bait. He said clearly, “I have looked at the science, and I have seen the figures.” He is convinced that had it not been for the Industrial Revolution, the climate would not have warmed like it has warmed over the last 150 years. He said we have to do something about it.

He then handed the subject over to his deputy minister, and the deputy minister went on to say, “You know, it is happening. Our scientists are telling us that. We have some of the best scientists in the world. We do more environmental science in this country, second only to one other country in the world. We have scientists in our department and elsewhere in this country who are peer reviewed in the most prestigious and professional journals in the world.” Thankfully the minister and the deputy minister are listening to these people. The deputy minister said, “When you go up North and see those buildings beginning to sink and lean, that is climate change, because the permafrost is melting. Do you know how many hundreds of millions of dollars we have lost in forestry because of climate change, which has allowed the pine beetle and other pests to begin to kill the forests? That is climate change.”



It is not as though just the IEA is saying it; it is also in the heart of this government that is saying it. It is striking that in spite of that kind of force of recognition of the problem, nothing of consequence is being done by this government.

I am looking at Senator Marshall, who is a former Auditor General, so she would respect what the Auditor General said several weeks ago, which was that, ironically, this government has no way of really measuring what is happening in output and in reduction. We know that if you cannot measure it, you cannot manage it. If you really cared about doing something about climate change, the first thing you would do is figure out a way to measure it so you could begin to manage it. That is just clue number one that you do not really want to do very much about it.

We are then reduced to this tiresome and odd triumvirate of arguments. The first one is, "Well, it may be happening, but we are not causing it." I know there are members over there, and I will not mention their names, who actually believe that. You know what? Of course no one will say that it is not actually happening, because you just have to open your eyes. There are those who will still say, "But we are not causing it." I say to them that you better hope we are causing it because, if we are not causing it, we cannot fix it. The fact of the matter is that if it is actually happening, then let us hope and pray to God that we can fix it. In fact, we can. We just need some leadership from a government that would assist this country and could provide leadership in the world to fix the problem.

The first argument they often use is that the science is questionable. It has been said, and I think it is true, that there has never been as much or more consensus on another scientific issue. The consensus on this particular issue is overwhelming. In fact, there is more consensus on this scientific issue than there is on probably half of the things that we stake our life on every day in this country, day to day in our daily lives. How many pharmaceutical drugs are defended by science that cannot explain why they work in one person and not in another person, but there is not one person in this Senate that will not step up to the doctor's prescription and use that drug in spite of that? They accept that science, but somehow they find a way to disregard this science.

I could go on about the strength of this science and why people doubt this science, because there are some cagey communicators, many of them the same people who convinced the world for 20 years that tobacco did not cause cancer. They are hired by the same groups and the same companies to communicate the same kind of doubt about this science, except, as desperate as the consequences of tobacco and cancer are on people, that will pale by comparison with the consequences of disregarding the science of climate change, doing nothing and seeing what happens to the people of this world and this country when climate change gets to 3.5 degrees, because it will be profound and exceptionally distasteful. You do not even need to believe the science. Just go outside and look. Just watch the news and see what is happening across the world. It does not take science; it takes observation.

The second argument is that somehow this will destroy economies and jobs. I say, "Go to the economists." The C.D. Howe Institute practically lives in the soul of the Conservative Party and has a conservative view of the world. Mark Jaccard and

Jack Mintz will tell you that there is very little evidence that investing just to get the kinds of objectives that the government itself has accepted will reduce the GDP over the next 40 or 50 years at all. I would argue that, once we get started, we will find that doing it right will actually stimulate the economy in a way that we cannot even imagine, just like winning the Second World War stimulated the economy in ways we could not imagine. It created one of the strongest Western industrialized economies, which has kept us sustained in the kind of lifestyle that people around the world envy. It did not wreck our economy to win the Second World War; it fundamentally sustained and created one of the strongest economies that you could imagine in the history of the world. That is exactly what will happen if we begin to do something about climate change.

That is not to say that we will do away with the oil industry. It is saying that we will actually sustain the oil industry. The Keystone XL decision and the stuff that is happening in Europe about our oil sands is not a passing fancy. That is a fundamental restructuring about the way the world will view our product. It will start to slough off, not just to hurt Alberta's oil industry, and I am partial to that, but it will also begin to hurt Canada's reputation in the world generally. That will have a profound impact when we want to win a seat on the United Nations Security Council, for example. We will not have much support for that. When we want to go and defend Israel with some credibility, we will not have much credibility. When we want to take a role in creating a free trade agreement that is good for Canada or Canadian farmers, we will not have much credibility because the kind of virus that is created with the destruction of our reputation in the world due to the way that we are not handling climate change adequately will begin to create a problem for our reputation in all facets of what we do in the world. It absolutely will. We have to deal with that, and we have to deal with that strongly.

Not only that, but sure we create lots of jobs with pipelines and oil sands plants, and we need to continue to create them, but how many jobs is climate change killing? You want to see today how many jobs have been killed in the last 10 years versus how many jobs have been created by those oil and energy projects. Lots of good jobs were created by the energy projects, thankfully, but how many jobs have been killed? Go talk to the fisheries on the east and west coasts. Go talk to the farmers who are being hit by drought and floods. Go talk to the forestry industry that is seeing its resources devastated by the pine beetle and other pests and so on.

Yes, let us talk about defending jobs. Let us talk about defending oil sands jobs and pipeline jobs, but let us figure out that we can do two things. We can think about a modern and future economy in a different world that is changing profoundly. Let us talk about the jobs that do exist and that can be saved by dealing with climate change or jobs that can be created by dealing with climate change. Why just limit ourselves to this chunk of jobs? Why not look at all of these possibilities, all of these other jobs, the leadership in the world and the really good jobs that could be created by dealing with climate change and by taking the opportunities that come out of that? They are not mutually exclusive. We can do both. In fact, great government would figure out a way to do both. They would think about that, instead of running from it, trying to find some excuse and wallowing in these kinds of different arguments.



• (1550)

The third point that they always come down to is that alternative energies are too expensive and not commercial. The IEA made the point that last year the oil industry received \$400 billion in subsidies. I guess the oil industry needs subsidies at \$100 a barrel.

I remember a trip I took with Eric Newell, in the early nineties, to the oil sands. It was great. He is a wonderful man who cares so deeply about so many things, and he is so good at the contributions he has made to Alberta, to Canada and to the world. I asked him, "What does it cost to make a barrel of oil?" He said \$15. I asked if that included capital. He said that was another \$10. It was \$25 to make a barrel of oil back in the early nineties at Syncrude. I asked, "What are you selling it for?" He said it was \$10 a barrel. I said, "You are losing \$15 a barrel." I guess it was not economical to make oil sands oil in the early nineties, because they were losing 60 per cent. However, people back then, like Eric Newell and Peter Lougheed, had the vision to say, "We will get economies of scale and technology improvements, and we will have market changes and price increases. By golly, by 2000 or 2005, this will be economical and the stimulus of the economy of Canada." Thankfully, they had the vision.

Now, I am wondering why wind does not get that. Why do fuel cell cars not get that? Why do hybrid cars not get that? Why do solar and geothermal energy not get that? If we had a government that could spell "vision," somebody would see that we are going to a different and a better future. We will be on a parallel track. We will have all of those oil sands jobs, but we will capture that carbon. We will make this country and this world better. We will take that kind of technology, sell it around the world and make even better jobs. We will not have reputational risks that could destroy the future, in many respects, of our economy and for our kids. We will have some intelligence, creativity and leadership. God only knows, we have not seen any leadership in this country for about five years.

**Senator Banks:** Six.

**Senator Mitchell:** Is it six years? Yes, sorry.

That brings me to my point about my little bill.

It does not solve all of those problems, but it is a step in the right direction. It is actually a compliment to the government's initiative because I got this idea from that. If I buy my kids some hockey equipment, I will get to write off \$500 of that and get 15 per cent back on my taxes. I will save \$75. If you do that for the kids' future, because playing hockey is good, why not do that for climate change for the kids' future?

I have a family of five. On average, each Canadian produces about six tonnes a year, so that is 30 tonnes a year of carbon. If I could get that at \$20 or \$30 a tonne, which is what I can buy on markets — I can buy them for \$6 a tonne in Alberta — for, say, \$2,600, then I could make my family carbon neutral. I could be encouraged to do that by that same tax credit. Let us say it was

the full \$600 and I could get the 15 per cent or first level back. I could get \$90. We would encourage people and families. We would encourage the initiative of individuals, not even the government, to reduce their carbon footprint and focus on that output.

There are those who will say that we cannot do that. Government cannot be involved. We do not trust credit. The government over there does not trust carbon credits. They think they are hot air from Russia, which is interesting because the government is spending \$250,000 to buy carbon credits to offset the federal government's impact through the Olympics. If they do not believe in credits, why are they spending \$250,000 of Canadians' money to offset the federal government's impact through its involvement in the Olympics in Vancouver?

Clearly, there is a commitment on the part of this government to carbon credits. It is not isolated. In British Columbia, they have the Pacific Carbon Trust, for which they put up \$25 million. They are working with businesses. We just had the mining group, who are a part of that, in to visit us. They are working with businesses to create carbon credits and reduce carbon emissions that they then sell to the Government of British Columbia because the Government of British Columbia is working to create a zero carbon footprint.

There is tremendous credibility. In fact, the Government of Canada getting involved in that way, supporting Canadians in the way that my bill would suggest, would create, engender and give credibility to a voluntary carbon market that would be at the basis of this initiative and allow Canadians to take some control of this important issue in their lives.

There are a number of cases that are made against it. To go back to the nature of credits, they would be like stock. We buy stocks in banks and industrial companies. We have been doing that for 150 or 200 years in some sort of sophisticated way. It is very sophisticated now. If you buy a stock in a bank, it is air. They do not really have money anymore; it is all electronic. It is in a computer. We have some faith that it is real because we have generally accepted accounting principles and securities commissions that review that. We put people in jail if they mess around with it. It would be much less complicated to create a carbon market that you could trust because you are dealing with a much more limited and specific kind of entity and a kind of security for which there is great precedent in the world today.

Thank you for listening to my presentation in this regard. I simply want to say that it is time we got past what some have called wilful ignorance. If our Minister of the Environment clearly accepts it, and if agencies that are neither the UN nor the environmental groups that some Conservatives seem to disregard so vehemently are saying that this is very serious, then we need to see action that reflects that. We are not seeing it. We are not seeing the leadership that we need. This bill is a very small, but important and significant, step that could stimulate interest, activity and understanding among individual Canadians, families and children to do something about this very serious issue. Thank you.

(On motion of Senator Raine, debate adjourned.)



**FEDERAL LAW-CIVIL LAW  
HARMONIZATION BILL, NO. 3**

**MESSAGE FROM COMMONS**

**The Hon. the Speaker** informed the Senate that a message had been received from the House of Commons returning Bill S-3, A third Act to harmonize federal law with the civil law of Quebec

and to amend certain Acts in order to ensure that each language version takes into account the common law and the civil law, and acquainting the Senate that they had passed this bill without amendment.

(The Senate adjourned until Thursday, November 24, 2011, at 1:30 p.m.)

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